

APPROVED  
AUGUST 28, 2024

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MINUTES OF THE **REGULAR BOARD MEETING** OF THE BOARD OF TRUSTEES OF THE CENTRAL UTAH WATER CONSERVANCY DISTRICT HELD ON WEDNESDAY, AUGUST 28, 2024, AT 1:00 PM AT DISTRICT HEADQUARTERS, OREM, UTAH.

TRUSTEES PRESENT

Shelley Brennan, Chair  
Wayne Andersen, Vice-Chair  
Jon Bronson  
Kirk Christensen  
Steve Farrell  
Wade E. Garner

Steve Hanberg  
Max Haslem  
Marvin Kenison  
Kathy Wood Loveless  
L. Alma Mansell  
Greg McPhie

Eldon Neves  
Jim Riding  
Jennifer Scott  
Randy Vincent  
Brad Wells

STAFF PRESENT

Gene Shawcroft, General Manager  
Lisa Anderson, Board Executive Assistant  
Kirk Beecher, Lands Manager  
Gary Brimley, Water Rights Engineer  
Heath Clark, Asset Management Manager  
Chris Elison, Engineering Manager  
Will Garner, Project Engineer  
Jared Hansen, CUP Manager  
Shaun Hilton, Project Engineer  
Richard King, Engineering/Software Manager  
Shawn Lambert, CFO  
Bart Leeftang, Assistant General Manager  
Rick Maloy, Strategic Initiatives Manager  
Mandy McClellan, Records Manager  
Devin McKrola, Bonneville O&M Manager  
Robert Moore, Legal Counsel  
Rachel Musil, Water Rights Manager  
Roger Pearson, CUPCA/Special Programs Mgr  
Brad Perkins, Project Engineer  
Carolyn Quigley, Admin Assistant  
Mike Rau, Water Quality Manager  
Bronson Stewart, Controller  
Sarah Sutherland, Environmental Program Manager  
Bruce Ward, Chief Engineer  
Mike Whimpey, Assistant General Manager

Dan Wood, App Support Specialist  
Kevin Workman, Uintah O&M Manager  
Gerard Yates, Deputy General Manager  
Chris York, WCWEP Manager

GUESTS

Brian Andrew, Hansen, Alan & Luce  
Brett Behling, WSP  
Justin Brewer, Consor  
Sterling Brown, Strawberry Water Users  
Paul Christensen, Department of the Interior  
Bob Harding, Jacobs Engineering  
Monica Hoyt, Carollo  
Brad Jeppson, Stantec  
Marie Owens, AE2S  
Alan Packard, JVWCD  
David Robertson, LRB Public Finance Advisors  
Ozzie Rojas, Brown and Caldwell  
Nathan Scown, MWDSLS  
Chris Thompson, Consor  
Wade Tuft, JVWCD  
Kent Wilson, Senator Romney's Office  
Ben Winslow, Fox 13 News  
Ben Wolf, BOR

PUBLIC HEARING

A Public Hearing for the purpose of receiving public comment on the District's proposed 2024-2025 Fiscal Year Budget was called to order by Greg McPhie, Finance, Audit, & Budget Committee Chair at 1:00 p.m. The hearing was opened to the public for comment.

John Gadd, Pleasant Grove resident, stated that he attended the public hearing on Tuesday, August 27 and felt that the hearing was not adequate due to the lack of Trustees that attended. He stated that

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he appreciated that District staff stayed after the hearing and answered questions. John then said that the Trustee's should listen to citizen's concerns and that they are being taxed to death and asked that the approval of the 0.0004 tax rate 2024-2025 Fiscal Year Budget be tabled or not approved.

The hearing closed at 1:05 p.m.

#### BOARD MEETING

Chair Shelley Brennan called the Board Meeting to order at 1:05 p.m.

*Motion that the Board Approves minutes from the June 19, 2024, Work Session and Board Meeting made by Trustee Mansell and seconded by Trustee Andersen. Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; Motion Passes.*

#### PUBLIC COMMENT

No comments received.

#### GENERAL MANAGER'S REPORT

Gene Shawcroft, General Manager, introduced and welcomed guests. He shared with the Trustees that the Great Salt Lake Stewardship Act legislation proposes to move money from titles of the CUPCA legislation that will not be used to Section 207 which will allow the DOI to redirect those unspent funds to pay for water conservation projects in the Great Salt Lake Basin. Gene stated that it has passed both the House and Senate Committees but he's unsure how it will play out with uncertainties in Congress.

Gene then reminded the Trustees that there will be special events for the Trustees to attend on the 22nd and 23rd of October held in conjunction with Board Meeting in celebration of the District's 60th anniversary.

#### COMMITTEES

##### TECHNICAL & PROFESSIONAL SERVICES – JIM RIDING, CHAIR

Shaun Hilton, Project Engineer, presented Amendment No. 1 to the Consulting Agreement with Carollo Engineers for the Central Utah Water Conservancy District Capital Replacement Projects Update. He shared a brief history of the CWP beginning in May of 2005 and stated that the CWP has not had a formal Capital Replacement Plan since its inception and some of the equipment is nearing 20 years old and needing replacement. Given the critical nature of the infrastructure an official CRP plan is needed to ensure equipment and infrastructure are properly maintained and replaced prior to any significant failures. Shawn reminded the Board that they approved fees in June this year and as part of the annual fee there is a capital replacement portion of the fees which will provide the funds to create this CRP.

*Motion that the Board Approves Amendment No. 1 to the Consulting Agreement with Carollo Engineers for the Central Utah Water Conservancy District Capital Replacement Projects Update in the amount of \$101,204.00 and authorize District officers to sign the agreement subject to District legal counsel review made by Chair Riding and seconded by Trustee Farrell.*

Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

Kirk Beecher, Lands Manager, presented the Construction Contract for the Installation and Construction of the Central Utah Water Conservancy District Annex B Storage and Maintenance Building with Appurtenances. He shared that the area is located west of the Duchesne field office, is owned by the DOI, and is designated for uses that support the CUP. Kirk stated that the District has been given permission from DOI to construct a storage and maintenance building on the property. He provided a timeline of the project including that materials were delivered in August as they had to be ordered in 2023. Three bids were received for the construction and the bid opening was on August 23.

In response to a question from Trustee Vincent, Kirk stated that the work includes excavation, site work, installation of footings and foundation, and to erect the steel building. In response to a question from Trustee Bronson regarding a footnote on the bid opening report that indicates the bid total is subject to correction, Kirk stated that this is standard language on bid tabulations that are prepared immediately upon bid opening and that there were no issues found with this bid following a detailed review by staff.

*Motion that the Board Award the construction contract to Brett Woods Construction, Inc. in the amount of \$377,078.00, and authorize District officers to sign the Contract subject to District legal counsel review made by Chair Riding and seconded by Trustee Wells.* Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

Kirk then presented Task Order No. 2024-01, Bureau of Reclamation Inspection Services, WCWEP Timpanogos Canal Lining Fitzgerald Road to Coyote Parkway Reach Project. He shared a map with the location of the project and the plan of the proposed lining project. Kirk mentioned that the BOR has previously performed these services on other federal canals, and an existing MOU with the BOR recognizes that having the BOR complete this service is in the best interest of the District. He stated that the contract amount is for \$356,000.00, but the amount will be most likely lower when the final contract is received and construction is completed. Since this is an expense reimbursement task order, any unused funds will be returned to the District upon project completion.

*Motion that the Board Approves Task Order No. 2024-01, with the United States Department of the Interior, Bureau of Reclamation for construction inspection services in the amount of \$356,000.00 for the WCWEP Timpanogos Canal Lining Fitzgerald Road to Coyote Parkway Reach project and authorize District officers to sign the agreement subject to District legal counsel review made by Chair Riding and seconded by Trustee Garner.* Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

*Motion that the Board Table agenda item 6.A.4 until after closed session made by Chair Riding and seconded by Trustee Bronson.*

Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

OPERATIONS – AL MANSELL, CHAIR

Chris York, WCWEP Project Manager, presented on Contract Amendment No. 1 to the Daniel Irrigation Company Replacement Pipeline Agreement by and among Central Utah Water Conservancy District (CUWCD), Daniel Irrigation Company, a Utah Corporation (Daniel), and the Utah Board of Water Resources (Water Resources). He shared a brief history of the project and explained that this is a high priority environmental mitigation commitment of the CUP. Chris stated that this amendment addresses conserved water and that Daniel has received requests for expanded uses. He further shared that the District consulted with Federal Partners and have support for this amendment and that since the Board previously segregated/reissued 2,900 acre-feet in Block Notice 8A, it would allow for those expanded uses.

*Motion that the Board Approves Amendment No. 1 to the Daniel Irrigation Company Replacement Pipeline Agreement and authorize District officers to sign the Agreement subject to District legal counsel review made by Chair Mansell and seconded by Trustee Hanberg.* Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

Will Garner, Project Engineer, presented Contract No. 24-SLC-1290 between United States Department of Energy Western Area Power Administration Colorado River Storage Project (WAPA), Central Utah Water Conservancy District (District), and Utah Municipal Power Agency (UMPA) for Olmsted Power Administrative Services. He shared a brief history of the Olmsted Power Plant, which is owned by the DOI, the energy is marketed to WAPA as part of the Colorado River Storage Project (CRSP), and that the District is responsible for OM&R. Will stated that this agreement will allow UMPA to act as the District's scheduling and delivery agent for its Project Allocation and allow UMPA to administer payment of the District's WAPA installment under the Olmsted Project Electric Services Agreement.

*Motion that the Board Approves the first Amendment to Contract No. 24-SLC-1290 Olmsted Project Administrative Services as to form and authorize District officers to sign the agreement subject to District legal counsel review made by Chair Mansell and seconded by Trustee Scott.* Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

Will then presented Contract No. 23-SLC-1211 between United States Department of Energy Western Area Power Administration Colorado River Storage Project – Management Center (WAPA) and Central Utah Water Conservancy District (District) for Olmsted Project Electric Service. He stated that this agreement allocates 30% of the energy produced to the District, allows flexibility to work directly with UAMPS or UMPA to effectively administer the Project Allocation, and designates billing, accounting, and scheduling procedures.

*Motion that the Board Approves Contract No. 23-SLC-1211 Olmsted Project Electric Service as to form and authorize District officers to sign the agreement subject to District legal counsel review made by Chair Mansell and seconded by Trustee Bronson.*

Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

Will next presented Amendment No. 1 to Contract No. 18-SLC-0978 Scheduling and Delivery Agreement among City of Provo, Utah (Provo); Utah Municipal Power Agency (UMPA); Central Utah Water Conservancy District (District); Western Area Power Administration (WAPA); and United States Department of Interior (DOI) and explained the purpose of the amendment is to extend the term of the contract to match the Olmsted Project Electric Services Agreements and that the agreement includes provisions for Provo City Power to notify the District and UMPA of maintenance on the lines and schedule changes.

*Motion that the Board Approves the first Amendment to Contract No. 18-SLC-0978 Scheduling and Delivery Agreement as to form and authorize District officers to sign the agreement subject to District legal counsel review. made by Chair Mansell and seconded by Trustee McPhie. Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; Motion Passes.*

WATER SUPPLY PLANNING & CUPCA PROGRAMS - KIRK L. CHRISTENSEN, CHAIR

Rachel Musil, Water Supply Manager, presented the Consultant Agreement for the Development of the Central Utah Water Conservancy District's Integrated Water Supply Plan. She stated that this is a new project which will establish a firm baseline of the District's water supply, evaluate the risks and stressors to the District's water supply, establish a risk tolerance for identified risks, and develop strategies to mitigate risks. Rachel said that five proposals were received. In response to a question, Rachel stated that this agreement is for five years and that it is expected that additional task orders will be brought to the board for approval during the duration of the agreement. Trustee Bronson stated that he felt that the District could do this in-house with the current staff, but after speaking with Rachel, he understood better that Carollo brings special expertise, and they have completed multiple plans across the United States that will provide broadened perspectives on risk and risk mitigation.

*Motion that the Board Approves the Consultant Agreement for the Development of the Central Utah Water Conservancy District's Integrated Water Supply Plan for \$577,570.00 to Carollo and authorizes District's officers to execute the agreement subject to District legal counsel review made by Chair Christensen and seconded by Trustee Wells. Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; Motion Passes.*

*Motion that the Board Table agenda item 6.C.2 until after closed session made by Chair Christensen and seconded by Trustee Bronson. Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; Motion Passes.*

LEGAL - MARVIN KENISON, CHAIR

Rachel next presented the Water Service Contract by and among Central Utah Water Conservancy District and the United States of America. She stated that this agreement addresses terms and conditions pertaining to CUP water that is stored in Utah Lake. The contract allows the District to

receive up to 6,000-acre feet annually from the CUP import water to be used within the District's service area and offsets depletions associated with Utah Lake and the CWP.

*Motion that the Board Approves the Water Service Contract by and among Central Utah Water Conservancy District and the United States of America and authorizes District officers to sign the contract subject to District legal counsel review. made by Chair Kenison and seconded by Trustee Hanberg. Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; Motion Passes.*

Rick Maloy, Strategic Initiatives Manager, presented the Agreements Between Central Utah Water Conservancy District and Gunnison Fayette Canal Company, Horseshoe Irrigation Company, Skyline Mountain Special Service District, and Sterling Irrigation Company for Sanpete County Water Improvement Projects. Rick gave a brief history related to the withdrawal of Sanpete County from the District and the District providing \$1.5M for projects that are shovel-ready in 2024 in Sanpete County. He stated that Sanpete County signed a letter authorizing the use of that money for the requested projects listed in the Board Packet. Rick mentioned that the amount requested was over the \$1.5M by about \$112K and Sanpete County Water Conservancy District agreed to pay the remainder of requested monies. He reminded the Board that if the funds are not distributed by the end of 2025, the funds will not be reimbursed.

*Motion that the Board Approves the agreements with Gunnison Fayette Canal Company, Horseshoe Irrigation Company, Skyline Mountain Special Service District, and Sterling Irrigation Company for Sanpete County Water Improvement Projects and provide funding in the amount not to exceed \$1,500,000.00 and authorize District officers to sign the agreements subject to District legal counsel review made by Chair Kenison and seconded by Trustee Neves. Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; Motion Passes.*

Rob Moore, General Counsel, presented Resolution No. 2024-08-01 A Resolution Adopting an Interlocal Agreement Between Central Utah Water Conservancy District and Utah County Community Reinvestment Agency Related to the Pinyon Creek Solar Community Reinvestment Project Area. He reminded the Board that in April 2024 the Board adopted guidelines related to RDA requests and now Utah County has adopted similar guidelines for RDAs that come to them. Rob stated that this project affects 2,500 acres of land in the Elberta area, and that the project meets the Board's guidelines and will have an increase in tax revenue.

Trustee Bronson stated that the Board should modify guidelines moving forward, that a statement from a developer that says, "but for this, we wouldn't do the project" is insufficient in his opinion. He mentioned that adding cash flow projections or research would give the "but for" test strength.

*Motion that the Board Adopts Resolution No. 2024-08-01 A Resolution Adopting an Interlocal Agreement Between Central Utah Water Conservancy District and Utah County Community Reinvestment Agency Related to the Pinyon Creek Solar Community Reinvestment Project Area made by Chair Kenison and seconded by Trustee Neves.*

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Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Riding, Scott, Vincent, Wells. Trustee Against: Neves. For: 16; Against: 1; *Motion Passes.*

FINANCE, AUDIT, & BUDGET - GREG MCPHIE, CHAIR

*Motion that the Board Approves the Financial Reports, as certified by the Chief Financial Officer, for the periods ending June and July 2024, the CUPCA expenditures total \$1,600,166.89 and \$6,460,187.40 respectively, and the total District expenditures posted during the same periods total \$15,733,095.25 and \$20,646,344.77 respectively made by Chair McPhie and seconded by Trustee Wells.* Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

*Motion that the Board Adopts Resolution 2024-08-02 which sets the District's fiscal year 2024-2025 final tax rate of 0.0004 in each respective county in the District made by Chair McPhie and seconded by Trustee Christensen.* Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

*Motion that the Board Adopts Resolution 2024-08-03 adopting the 2024-2025 Fiscal Year Budget totaling \$381,577,816.00 made by Chair McPhie and seconded by Trustee Andersen.* Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

*Motion that the Board Strike agenda item 7 made by Trustee Bronson and seconded by Trustee Kenison.* Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

CLOSED SESSION TO DISCUSS PENDING OR REASONABLY IMMINENT LITIGATION AND IMMEDIATELY FOLLOWED BY CLOSED SESSION TO DISCUSS THE PURCHASE, EXCHANGE, OR LEASE OF REAL PROPERTY

*Motion that the Board Enter into Closed Sessions at 2:17 p.m. made by Trustee McPhie and seconded by Trustee Wells.* Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

Chair Brennan called the Closed Session to order at 2:20 p.m.

OPEN SESSION

*Motion that the Board Enter into Open Session at 3:02 p.m. made by Trustee Mansell and seconded by Trustee Wells.* Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; *Motion Passes.*

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Item 6.C.2 Change Order No. 11 to the Construction Contract with Ames Construction, Inc. for the Spanish Fork Santaquin Pipeline – Salem Reach 1 Project

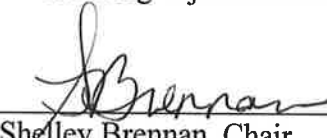
*Motion that the Board Approves Change Order No. 11 to the Construction Contract with Ames Construction, Inc. for the Spanish Fork Santaquin Pipeline Salem Reach 1 Project for \$9,000,000.00 and authorize District officers to sign the change order subject to District legal counsel review made by Chair Christensen and seconded by Trustee Neves. Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. Trustee Against: Garner. For: 16; Against: 1; Motion Passes.*

*Motion that the Board Approves changing October's Board Meeting start time to earlier in the day to facilitate other activities made by Trustee Farrell and seconded by Trustee Christensen. Trustees For: Brennan, Andersen, Bronson, Christensen, Farrell, Garner, Hanberg, Haslem, Kenison, Loveless, Mansell, McPhie, Neves, Riding, Scott, Vincent, Wells. For: 17; Motion Passes.*

ADJOURNMENT

*Motion that the Board Adjourn to adjourn, made by Trustee Mansell. Motion Passes.*

The meeting adjourned at 3:06 p.m.

  
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Shelley Brennan, Chair

  
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Gene Shawcroft, General Manager